# GOVERNMENT OF INDIA
# LAW , JUSTICE AND COMPANY AFFAIRS
# LOK SABHA

UNSTARRED QUESTION NO:7708
ANSWERED ON:16.05.2002
PREFERENTIAL AND PRIVATE ALLOTMENT
DR. KIRIT SOMAIYA

**Will the Minister of LAW , JUSTICE AND COMPANY AFFAIRS be pleased to state:**

(a) whether the Government are considering any change in the guidelines regarding preferential and private allotments of shares;

(b) if so, the details thereof;

(c) whether DCA, SEBI and MoF have any coodination and discussion on the subject;

(d) if so, whether this route is misused by the unscrupulous promoters;

(e) if so, the details about the private placement, preferential allotment of 10 lakhs share of HFCL by Dilip Chhabaria Design (DCD);

(f) whether both the companies have misused this route;

(g) if so, the details in this regard;

(h) whether DCA and SEBI have written to each other regarding the misuse in this regard; and

(i) if so, the details thereof and the action taken thereon?

## Answer

MINISTER OF LAW, JUSTICE & COMPANY AFFAIRS (SHRI ARUN JAITLEY )

(a) to (i): The information is being collected and will be laid on the Table of the House.